

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0286-01
Bill No.: HB 376
Subject: Political Subdivisions
Type: Original
Date: February 19, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government*	(Unknown)	(Unknown)	(Unknown)

* Could be substantial

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration (COA)** that this proposal has no impact on their agency. COA states that Section 67.1804.1 has unknown, but potentially significant costs to the state, however, COA has no way of estimating these costs. It should be noted that Section 67.1804.2 appears to trigger Article X, Section 21 of the Constitution and would consequently require the state to fund these costs or be subject to litigation.

Officials from **Platte County** state that this legislation could have a significant impact on their county. They state that at this time, it is very difficult to identify exact cost and loss amounts, but are confident that additional costs would occur.

Officials from the **City of Hannibal** state that costs are impossible to calculate, but that the costs would be substantial.

Officials from the **City of St. Joseph** state that with this legislation, the City would be responsible for removal of snow, ice and other obstructions from private roads and streets, maintenance, repair and replacement of private roads and streets, collection of trash, garbage, leaves and recyclable materials, and payment for the electricity consumed to light the private roads and streets within "common interest communities". Although staff did not have time to fully access the fiscal impact of such a proposal, the City of St. Joseph that passage of this proposal would have a significant adverse impact on City resources and budget.

Officials from **Camden County** estimate the costs to their agency would be in excess of \$1 million.

Officials from the **City of Lake St. Louis** estimate they would incur the following costs for snow plowing, street maintenance and ice/snow control supplies; \$15,687 in 2002, \$16,472 in 2003, and \$17,295 in 2004.

Officials from the **City of Branson** estimate they would incur the following costs for snow removal, street lighting for 5 additional miles provided by the city; \$28,500 in 2002, \$29,355 in 2003, and \$30,235 in 2004. The City of Branson does not provide trash service and assumes the state will be required to fund 100% of the additional costs for that service.

Officials from the **City of Osage Beach** state that any costs to their city can not be determined at this time. They state that their budget is limited and any additional costs will hamper their ability to provide necessary services.

ASSUMPTION (continued)

Officials from **Franklin County** state that increased costs can certainly be identified, although exact dollar amounts will be hard to determine due to the number of variables. They state that Franklin County government would be forced to assume the maintenance of or pay for the upkeep and repair of an additional two thousand miles of roadway, with an assigned cost of \$10,017 per mile for paved roads, \$2,342 per mile for gravel roads, in addition to snow removal, which is \$57.50 per mile.

Officials from the **City of Springfield** estimate that costs for electrical service for private gated communities regardless of the location of the community would be \$1 million in 2002, \$2.0 million in 2003, and \$2.1 million in 2004.

Oversight assumes this proposal would have no fiscal impact on the state, but would have an unknown, potentially substantial, cost to the political subdivisions of Missouri.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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POLITICAL SUBDIVISIONS

<u>Costs</u> for road maint., trash and electricity	(Unknown)	(Unknown)	(Unknown)
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal requires the governing body of every political subdivision to reimburse or provide to a qualified common interest community snow removal, trash service, and road maintenance to the same extent as the political subdivision provides these services on public roads and streets. The political subdivision must also reimburse the common interest community the electrical cost for lighting roads and streets. If the political subdivision elects to reimburse the common interest

DESCRIPTION (continued)

community for services, the payment must be made at the end of the calendar year. The reimbursement is to be increased on a graded basis over a five-year period, beginning January 1, 2002. The first year's reimbursement is 20% of the actual cost, increasing to 100% of the actual cost in the fifth year. The proposal requires a contract between the governing body of the political subdivision and the common interest community to implement the responsibilities of the political subdivision.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration
Platte County
City of Hannibal
City of St. Joseph
Camden County
City of Osage Beach
Franklin County
City of Springfield



Jeanne Jarrett, CPA
Director
February 19, 2001